

MECHANICAL AMUSEMENT DEVICE (MAD) TAX

A license fee and occupation tax are imposed on operators and distributors of mechanical amusement devices, such as coin-operated video games. All proceeds are credited to the General Fund.

Through December 31, 1999, the licensing fee is \$250 for applicants operating a minimum of ten machines. No fee is required for applicants operating less than ten machines. The occupation tax is \$50 per device placed in operation prior to April 1, 1999. Machines placed in operation after April 1, and before January 1, 2000, are taxed \$25 per machine.

Beginning on January 1, 2000, annual licensing applications are to be filed by January 1, and licensing fees are not required. The occupation tax is \$35 per device placed in operation prior to July 1, and \$20 per machine placed in operation after July 1, 2000.

SEVERANCE TAX

Severance tax is levied upon the value of oil and gas severed or removed from the land. Oil and gas taken from stripper and nonstripper wells is subject to the tax. The tax is paid by every person severing oil or natural gas from land in Nebraska unless the severed oil or natural gas is sold in Nebraska. If the oil or gas is sold in Nebraska, then the first purchaser in Nebraska pays the tax.

The severance tax rate is three percent of the value of the nonstripper oil, three percent of the value of the natural gas, and two percent of the value of stripper oil.

Tax on oil or gas severed from public school lands is credited to the Permanent School Fund. For oil or gas severed from all other lands, one percent of the gross tax receipts is credited to the Severance Tax Administration Fund, up to \$300,000 may be appropriated by the legislature to the State Energy Office Cash Fund, up to \$30,000 may be appropriated to the Governor's Policy Research Office, and the remainder is credited to the Permanent School Fund.

CONSERVATION TAX

In addition to the severance tax, the value of oil or gas is subject to the conservation tax. Conservation tax is levied and assessed in the same manner as the severance tax. The tax is imposed on the value at the well of all oil and gas produced, saved and sold or transported from the premises in Nebraska. The producer of the oil or gas pays the tax unless the oil or gas is sold within Nebraska. If the oil or gas is sold in Nebraska, then the first purchaser in Nebraska pays the tax.

The conservation tax rate is .35 percent. Revenue from the conservation tax is deposited in the Oil and Gas Conservation Fund.

Table 10

MAD TAX

Month	Calendar Year 1999	Calendar Year 1998
January	\$6,098	\$3,065
February	7,700	3,810
March	5,775	2,120
April	5,725	2,555
May	2,650	980
June	4,525	645,770
July	2,850	91,125
August	3,450	16,075
September ...	3,200	9,450
October	1,200	9,250
November	65,235	6,135
December	376,175	12,780
Total	\$484,583	\$803,115

Table 11

SEVERANCE TAX RECEIPTS

Month	Calendar Year 1999	Calendar Year 1998	Calendar Year 1997
January	\$57,089.35	\$129,539	\$161,253
February	51,019.84	94,281	157,436
March	63,053.15	111,778	142,634
April	36,414.55	90,300	145,779
May	74,891.73	90,503	96,231
June	93,379.45	130,089	171,748
July	100,645.50	57,461	105,033
August	77,245.46	82,088	114,838
September ..	121,777.11	60,067	124,671
October	106,522.71	62,223	119,116
November ...	149,609.43	65,263	97,340
December ...	85,184.44	89,201	152,212
Total	\$1,016,832.72	\$1,062,793	\$1,588,291

Table 12

CONSERVATION TAX RECEIPTS

Month	Calendar Year 1999	Calendar Year 1998	Calendar Year 1997
January	\$24,194	\$26,203	\$33,177
February	20,486	18,484	33,166
March	29,136	22,716	29,358
April	12,739	17,941	29,379
May	30,933	14,081	21,017
June	36,989	25,223	33,543
July	41,356	11,887	26,549
August	36,409	21,313	19,106
September ...	45,535	25,052	30,245
October	49,085	44,887	28,573
November	53,667	27,502	11,221
December	36,599	16,219	31,155
Total	\$417,129	\$271,508	\$326,489